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MICHAEL RODAK, JR., CLERK

IN THE  
**Supreme Court of the United States**

OCTOBER TERM, 1975

No. **75-1817**

THE BOARD OF EDUCATION OF THE CITY OF NEW YORK,  
*Appellants,*

*against*

C.D.R. ENTERPRISES, LTD., FELIX J. GLORO, CHARLES D'ALEO  
 and DANIEL OLIVO,  
*Appellees.*

BERNARD J. LAKRITZ, as Director of the Bureau of Maintenance and Operation of the Division of School Buildings of the Board of Education of the City of New York; WILLIAM GLEESON, as Civil Engineer in the Office of Maintenance and Operation of the Division of School Buildings of the Board of Education of the City of New York; HUGH J. McLAREN, JR., as Executive Director of the Division of School Buildings of the Board of Education of the City of New York; JOSEPH A. KRATONI, as Executive Director of the Division of Business and Administration of the Board of Education of the City of New York; IRVING ANKER, as Chancellor of the Board of Education of the City of New York; THE BOARD OF EDUCATION OF THE CITY OF NEW YORK; JOHN T. CARROLL, as Director of Construction of the City of New York; HARRISON J. GOLDIN, as Comptroller of the City of New York; LOUIS J. LEFKOWITZ, as Attorney-General of the State of New York; LOUIS L. LEVINE, as Industrial Commissioner of the State of New York; and HUGH L. CAREY, as Governor of the State of New York,

*Appellants,**against*

ULYSEUS C. PAINTING & G.C. CORP.; LACONIA PAINTING CORP.; STRATOS CONTRACTING CORP.; ASTORIA PAINTING CO., INC.; HELLAS CONTRACTING CORP.,

*Appellees.*

ON APPEAL FROM THE UNITED STATES DISTRICT COURT  
 FOR THE EASTERN DISTRICT OF NEW YORK

## JURISDICTIONAL STATEMENT

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## TABLE OF CONTENTS

	PAGE
Jurisdictional Statement .....	1
Opinion Below .....	2
Jurisdiction .....	2
State Statute Involved .....	2
Questions Presented .....	4
Statement of the Case .....	5
Reasons in Support of Plenary Consideration .....	10
A. The equal protection standard applicable to N.Y.L.L. § 222 is one of reasonable relation to a legitimate state interest .....	11
B. The preference provided for established citizen residents by NYLL § 222 is ap- propriately related to legitimate and sub- stantial state interests in the relief of unem- ployment .....	13
C. New York Labor Law § 222 does not violate the Supremacy Clause .....	14
Conclusion .....	15
APPENDIX A, Opinion of the Three-Judge District Court .....	1a
APPENDIX B, Opinion of Neaher, District Judge, Concurring .....	15a

	PAGE
APPENDIX C, Opinion of Platt, District Judge, Dissenting .....	17a
APPENDIX D, Order of the Three-Judge District Court Granting Stay .....	26a
APPENDIX E, Notice of Appeal .....	27a

## TABLE OF CASES

<i>August v. Bronstein</i> , 369 F. Supp. 190 (S.D.N.Y.) aff'd 417 U.S. 901 (1974) .....	9
<i>De Canas v. Bica</i> , — U.S. —, 44 U.S. Law Week 4235 (February 25, 1976) .....	10, 14
<i>Graham v. Richardson</i> , 403 U.S. 365 (1971) .....	9, 10, 12
<i>Heim v. McCall</i> , 239 U.S. 175 (1915) .....	11
<i>Hooban v. Boling</i> , 503 F. 2d 648 (6th Civ. 1974) cert. den. — U.S. —, 95 Sup. Ct. 1585 (1975) ..	13
<i>In re Griffiths</i> , 413 U.S. 717 (1973) .....	9, 12, 14
<i>Mathews v. Diaz</i> , — U.S. —, 44 U.S. Law Week 4748 (June 1, 1976) .....	10, 11, 12, 13, 14
<i>Memorial Hospital v. Maricopa County</i> , 415 U.S. 250, 258-260 (1974) .....	12
<i>People v. Crane</i> , 214 N.Y. 154, 162, 164-165, 171 aff'd sub nom <i>Crane v. New York</i> , 239 U.S. 195 (1915) .....	11, 13
<i>Starns v. Malkerson</i> , 326 F. Supp. 234 (D. Minn. 1970) aff'd 401 U.S. 985 (1971) .....	9, 12
<i>Sturgis v. Washington</i> , 368 F. Supp. 38 (W.D. Wash.) aff'd 414 U.S. 1057 (1973) .....	9, 12

	PAGE
<i>Sugarman v. Dougall</i> , 413 U.S. 634 (1973) ..	8, 9, 10, 12, 14
<i>Takahashi v. Fish &amp; Game Commission</i> , 334 U.S. 410 (1948) .....	12
<i>Traux v. Raich</i> , U.S. (1915) .....	14
<i>United States v. Carolene Products Co.</i> , 304 U.S. 144, 152-153 n. 4 (1938) .....	12
<i>Vlandis v. Kline</i> , 412 U.S. 441 (1973) .....	13
<i>Yick Wo v. Hopkins</i> , 118 U.S. 356 (1886) .....	12

## STATUTES

New York Labor Law § 222 .....	<i>Passim</i>
28 U.S.C. § 1253 .....	2

IN THE  
**Supreme Court of the United States**  
OCTOBER TERM, 1975

\_\_\_\_\_  
No.  
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THE BOARD OF EDUCATION OF THE CITY OF NEW YORK,  
*Appellant,*  
*against*

C. D. R. ENTERPRISES, LTD., et al.,  
*Appellees.*

\_\_\_\_\_  
BERNARD LAKRITZ as Director of the Bureau of Maintenance and Operation of the Division of School Buildings of the Board of Education of the City of New York, et al.,  
*Appellants,*  
*against*

ULYSEUS C. PAINTING & G. C. CORP., et al.,  
*Appellees.*

ON APPEAL FROM THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK

\_\_\_\_\_  
**JURISDICTIONAL STATEMENT**

The Attorney General of the State of New York, *pro se*, in *The Board of Education of the City of New York v. C. D. R. Enterprises Ltd. et al.*, and the state appellants in *Lakritz et al. v. Ulyseus C. Painting & G. C. Corp., et al.*, appeal from a decision and order of the United States



District Court for the Eastern District of New York (three-judge district court, Platt, D.J., dissenting) declaring invalid and permanently enjoining New York Labor Law § 222 insofar as the statute grants a preference in public works employment to certain citizen residents of the state over lawfully admitted aliens.

### Opinion Below

The decision and order of the three-judge district court is not yet reported. The majority opinion is reproduced in Appendix A, pp. 1a-14a, to this Jurisdictional Statement. The concurring opinion of *Neaher*, D.J. is reproduced in Appendix B, pp. 15a-16a, and the dissenting opinion of *Platt*, D.J. is reproduced in Appendix C, pp. 17a-25a.

There is no opinion in support of the convening of the three-judge court.

### Jurisdiction

The jurisdiction of this court is conferred by 28 U.S.C. § 1253.

The decision and order of the three-judge district court was filed on March 24, 1976. The Notice of Appeal to this court, reproduced in Appendix E, pp. 27a-28a, was filed on April 12, 1976.

### State Statute Involved

New York Labor Law § 222, as amended by c. 848 of the New York Laws of 1975, effective August 9, 1975, states:

In the construction of public works by the state, a municipal subdivision including a school district, or a state or municipal public benefit corporation, authority or commission or any agency entering into public

works projects providing for the expenditure of public money or by persons contracting with the state, a municipal subdivision including a school district, or a state or municipal public benefit corporation, authority or commission, or any agency entering into public works projects providing for the expenditure of public money, preference in employment shall be given to citizens of the state of New York who have been residents of the state for at least twelve consecutive months immediately prior to the commencement of their new employment. In addition to the foregoing provisions, whenever the unemployment rate in a statistical metropolitan sampling area [standard metropolitan statistical area] (SMSA) in New York state is determined by the federal Labor Board Bureau of Labor Statistics [federal Bureau of Labor Statistics] to be six per centum or more for a period of three consecutive months, such preference in employment on public works projects in that SMSA shall be given first to the qualified citizens of the state of New York who have been residents of such SMSA for twelve consecutive months prior to the commencement of their employment, said preference to continue until such time as the unemployment rate for such SMSA as so established shall be below six per centum for three consecutive months. The provisions of this section shall not be applicable to any such corporation, authority or commission whose existence and jurisdiction is fixed by compact, treaty, action or agreement with other states or nations. Each person so employed shall furnish satisfactory proof of residence and qualification in their trade or skill, in accordance with rule adopted by the industrial commissioner. Persons other than citizens of the state of New York or residents of such SMSA may be employed when such citizens or residents are not available. In each contract for the construction of public works a provision shall be inserted that if this section is not com-

plied with, the contract shall be void. All officers, agents or employees of the public entities set forth in the foregoing, having the power to enter into contracts which provide for the expenditure of public money on public works, shall file in the office of the department the names and addresses of all contractors holding contracts with such public entities, together with a description of the work and its location. The commissioner shall require each contractor to furnish a list of the names and addresses of all his subcontractors. Each contractor and subcontractor performing public works shall keep a list of his employees, stating whether they are citizens of the state of New York, native born citizens or naturalized citizens and in case of naturalization, the date thereof, and the name of the court in which granted, a copy of which shall be filed in the office of the department. All information required to be filed pursuant to this section shall be filed in accordance with the rules of the industrial commissioner. All of the data and information required by this section to be filed with the department shall be available for public inspection and copying, subject to and in accordance with the provisions of article six of the public officers law, constituting the freedom of information law. A violation of this section shall constitute a misdemeanor and shall be punishable by a fine of not less than fifty dollars nor more than five hundred dollars, or by imprisonment for not less than thirty nor more than ninety days, or by both fine and imprisonment.

### Questions Presented

1. Should the preference in public works employment provided by New York Labor Law § 222 for citizens who have resided in the state for one year be reviewed under a heightened equal protection standard solely because aliens

are among the individuals who do not receive the benefit of the statute?

2. Is the preference provided by New York Labor Law § 222 for citizens who have resided in the state for one year reasonably or substantially related to legitimate state interests involved in relieving unemployment?

3. Does the preference provided by New York Labor Law § 222 for citizens who have resided in the state for one year oppose any federal policy or plan regulating immigration and naturalization?

### Statement of the Case

Appellees, plaintiffs below, are New York corporations whose principal source of business is painting contracts with New York City governmental agencies, including appellant Board of Education of the City of New York (hereinafter "City Board of Education").\* They commenced separate actions in the United States District Court for Eastern District of New York under the titles *C.D.R. Enterprises Ltd. et al. v. The Board of Education of the City of New York* and *Ulyseus C. Painting & G.C. Corp. et al. v. Lakritz et al.* which were consolidated before the three-judge district court.\*\*

Appellees in both actions wish to employ alien laborers to perform their public contracts and challenge New York Labor Law ("NYLL") § 222 on equal protection and due process grounds to the extent that the statute establishes a preference in favor of citizen laborers with one year state

\* Two officers of C.D.R. Enterprises, Ltd., Gloro and D'Allo, are appellees in that action.

\*\* The three-judge court was convened upon the consent of the Attorney General and the attorney for the City defendants.



residence. Majority opinion, App. A, p. 4a.\* The *Ulyseus* appellees challenge the preference on the additional grounds that it contravenes federal legislation regulating immigration, violates the Supremacy Clause, the privileges and immunities clauses of Article IV and the Fourteenth Amendment, appellees' right to travel and that it is unconstitutionally vague. *Id.* pp. 4a-5a.

When the actions were submitted, C.D.R. Enterprises Ltd. was performing a painting contract (No. 707419) for the City Board of Education valued at \$85,000. Majority opinion, App. A, p. 3a.\*\* The contract was awarded in November, 1974. In April and May of 1975, C.D.R. assigned Laudalino Rosabal as a laborer on No. 707419. Rosabal was then an alien, lawfully admitted to the United States for permanent residence, and had resided in New York State for a year. Upon Rosabal's assignment to No. 707419, the City Board of Education advised C.D.R. that it was apprised of his alien status, that the assignment was in violation of the terms of the contract, which incorporated NYLL § 222 by reference, and that, as a result, grounds existed for cancellation of No. 707419. Rosabal thereafter left C.D.R.'s employ, and administrative proceedings with respect to the cancellation of contract No. 707419 were stayed pending the outcome of the action. Majority opinion, App. A, p. 3a. C.D.R. presently

\* The twelve month residence requirement replaced a six month residence requirement during the pendency of the actions. L. 1975 c. 848, effective August 9, 1975. The 1975 amendments to NYLL § 222 also added intra-state preferences based on unemployment rates in the ten standard metropolitan statistical areas ("SMSA's") which comprise New York. The district court did not determine the constitutionality of the SMSA preferences. Majority opinion, App. A, p. 14a n. 3.

\*\* The facts are undisputed. They were established below by Stipulation filed in each action and by affidavits and exhibits submitted by the Attorney General. The Stipulations expressly acknowledge the truth of the facts alleged in the affidavits and exhibits.

employs Daniel Olivo, an alien lawfully admitted to the United States for permanent residence. Olivo has lived in New York for approximately three years and is a plaintiff in the C.D.R. action. C.D.R. contends that it would assign Olivo to Contract No. 707419 and other contracts with governmental agencies but for the operation of NYLL § 222.

The *Ulyseus* appellees have current contracts with the City Board of Education which incorporate NYLL § 222 by reference. Each appellee admits that it has assigned alien laborers to such contracts. Ulyseus C. Painting & G. C. Corp. identified five permanent resident aliens (Papadimitriou, Andreoulakis, Firinlos, Kapayandes and Vlachos) that it had so assigned. Each of the five had resided in New York in excess of a year. Majority opinion, App. A, pp. 3a-4a. In August of 1975, the City Board of Education directed appellee Astoria Painting Co. Inc. to stop work on a contract because of the assignment of alien labor in violation of NYLL § 222. *Ibid.* Administrative proceedings against Astoria as against the other *Ulyseus* appellees were stayed pending the outcome of the action.

During the approximate period the actions were pending in the district court, the unemployment rate in the unionized New York City Building and Construction Trades reached 33% (August 1, 1975). The insured unemployment rates in the construction industry in New York State, New York City and Buffalo were 17.3%, 16.4% and 12.3%, respectively, in September, 1975. The number of unemployed individuals constituted 11.9% and 10.2% of the working population of the state and New York City, respectively, in the same month. SMSA unemployment rates of 9% or more were common: New York City Area, 11.7%, 11.6% and 11.7% in July, August and September, 1975, respectively; Nassau-Suffolk, 9% in July; Binghamton, 9.2% and 9.1% in June and July, respectively;

Buffalo, 14.3%, 13.8%, 13.2% in June, July and August, respectively; Syracuse, 10.5% in June and July, 9.6% in September; and Utica-Rome, 11.0%, 10.5%, 9.8% in June, July and August, respectively.\*

The district court delivered three opinions. The majority opinion (GURFEIN, C.J. with NEHEAR, D.J.) held NYLL § 222 unconstitutional under both the Equal Protection Clause and the Supremacy Clause. The equal protection analysis relies on two erroneous findings: first, the statute establishes a "suspect classification" notwithstanding the fact that the class includes short-term citizen residents of the state and out-of-state citizens as well as resident aliens (App. A, pp. 5a-6a, 9a); and second, the statute denies resident aliens the equal protection of the laws because they do not receive the same benefits as citizens although both aliens and citizens are "persons" under the Fourteenth Amendment. App. A, p. 5a. The state interests supporting NYLL § 222 were viewed as limited to the "special public interest" a state may have in confining public employment to citizens, an interest previously found insufficient in *Sugarman v. Dougall*, 413 U.S. 634 (1973). App. A, pp. 7a-8a, 11a. The Supremacy Clause holding relies entirely upon the allegedly exclusive federal power over the regulation of aliens. No finding of inconsistency with the Immigration and Nationality Act, 8 U.S.C. § 1101 *et seq.* was made.

District Judge Nehear, in a separate concurring opinion, would have expanded the holding to include a finding that appellee corporations, in addition to resident aliens, were denied the equal protection of the laws by NYLL § 222. App. B, pp. 15a. Judge Nehear recognized that § 222, as amended, was "undoubtedly a well-intentioned effort to alleviate unemployment among New York citizens," *Ibid.*,

\* As a result of the high SMSA unemployment rates, the intra-state preferences provided in NYLL § 222 were implemented commencing in December 1975.

but nonetheless held that the State's "primary interest" with respect public works contracts was to ensure that the work was performed competently and efficiently, interests which he did not find reflected in the statute. *Id.* p. 16a.

District Judge Platt dissented finding that N.Y.L.L. § 222 represented a "common sense" method for alleviating the "pressing problem" of unemployment, a problem historically viewed as a local matter. App. C, pp. 19a-20a, 21a-22a. Judge Platt distinguished the prior decisions of this court concerning aliens' rights to equal protection of the laws on two grounds: first, he found that the heightened equal protection standard was not applicable given the non-exclusive nature of the class of individuals who did not receive the benefit of the statute (*Id.* p. 21a); and second, he distinguished the preference provided by NYLL § 222 from the prohibitions held invalid in *Sugarman v. Dougall*, *supra*; *In re Griffiths*, 413 U.S. 717 (1973), and *Graham v. Richardson*, 403 U.S. 365 (1971). *Id.* p. 18a. Principal reliance was placed on prior decisions of this court which sustained reduced college tuition for in-state residents [*Sturgis v. Washington*, 368 F. Supp. 38 (W.D. Wash.) *aff'd* 414 U.S. 1057 (1973) and *Starns v. Malkerson*, 326 F. Supp. 234 (D. Minn. 1970), *aff'd* 401 U.S. 985 (1971)] and employment-related benefits for such residents [*August v. Bronstein*, 369 F. Supp. 190 (S.D.N.Y.), *aff'd* 417 U.S. 901 (1974)]. Those preferences, like that provided by NYLL § 222, do not involve any fundamental constitutional or economic interest of the members of the excluded class and thus, given supporting state interests, impose no discriminatory burden on those individuals. *Id.* pp. 22a, 23a-24a. In opposition to the majority's Supremacy Clause holding, Judge Platt noted that Congress had not pre-empted the states from regulating the employment of aliens or from enacting laws to relieve unemployment, and that the federal power over immigration was not affected, given NYLL § 222 did not burden the alien's entry into New York. *Id.* pp. 22a-25a.



The district court unanimously stayed its orders invalidating and permanently enjoining NYLL § 222 pending the disposition of this appeal. The appellees were excepted from the operation of the stay so that performance of their contracts with the City Board of Education would not be jeopardized. App. D, p. 26a.

### Reasons in Support of Plenary Consideration

The decision below, if not reversed, alters long accepted preferences for citizen laborers with established state residence on public works contracts intended to relieve unemployment. The decision comes at a time when unemployment generally exceeds 9% throughout the State and has reached 33% in the construction trades in New York City. It, therefore, has critical impact on the earning capacity of literally thousands of New Yorkers who cannot look to other states and nations for economic relief. In reaching this result, the district court majority expanded the holdings of *Sugarman v. Dougall*, 413 U.S. 634 (1973), and *Graham v. Richardson*, 403 U.S. 365 (1971), both with respect to the adoption of an equal protection standard formerly applied only to classifications comprised exclusively of aliens and the identification of the narrow preference provided by NYLL § 222 with the generalized limitations on aliens' rights to public employment and subsistence considered in *Sugarman* and *Graham*. The recent decision of this Court in *Mathews v. Diaz*, — U.S. —, 44 U.S. Law Week 4748 (June 1, 1976) conclusively establishes the district court's errors in this regard. In addition, the majority's holding under the Supremacy Clause is squarely opposed by *De Canas v. Bica*, — U.S. —, 44 U.S. Law Week 4235 (February 25, 1976).

### A. The equal protection standard applicable to NYLL § 222 is one of reasonable relation to a legitimate state interest.

To the extent it is placed in issue in these actions, NYLL § 222 provides a preference in employment on public works to citizen laborers who have resided in the state for one year. That preference perforce excludes short-term citizen residents, out-of-state citizens and resident aliens who comprise the non-exclusive class described by Judge Platt in his dissent below. App. C, 21a. By reason of the presence of alien residents in the excluded class, the district court majority characterized NYLL § 222 as creating a suspect classification and reviewed the statute under a heightened equal protection standard. App. A, p. 6a. No prior decision of this court has approved the extension of that heightened standard to a class which does not consist exclusively of aliens. Indeed, the court's most recent decision, *Mathews v. Diaz*, *supra* at 4452, compels the conclusion that the traditional, reasonable relation test continues to be applicable to classifications consisting exclusively of aliens so long as the benefit withheld does not affect a fundamental constitutional or economic interest possessed by aliens. Obviously, NYLL § 222 does not affect any such fundamental interests since there is no constitutional right to employment on public works, *Crane v. New York*, 239 U.S. 195 (1915); *Heim v. McCall*, 239 U.S. 175 (1915), and the alien is not foreclosed from participation in the construction trades by operation of the statute.\*

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\* The Attorney General recognizes that *Mathews v. Diaz*, *supra*, involves a federal statute and that the federal power over immigration was noted in that case as a basis for distinguishing prior decisions involving state laws. However, as the court acknowledged, Congressional power to establish classifications between citizens and aliens or among various subclasses of aliens within domestic benefit programs, is limited by the Fifth Amendment's

(footnote continued on following page)

Even putting aside *Mathews v. Diaz, supra*, neither *Sugarman* nor *Graham* provide support for the application of a heightened equal protection standard to NYLL § 222. In both cases, the class that was excluded from the state benefit was confined exclusively to aliens. See also *In re Griffiths*, 413 U.S. 717 (1973); *Takahashi v. Fish & Game Commission*, 334 U.S. 410 (1948); *Yick Wo v. Hopkins*, 118 U.S. 356 (1886). It will be recalled that the basis for heightened equal protection standard applicable to alienage classifications, as first articulated in *Graham, supra* at 372, was that aliens are a "prime example of a 'discrete and insular' minority," quoting *United States v. Carolene Products Co.*, 304 U.S. 144, 152-153 n. 4 (1938). However, once aliens are combined with citizens as they are under NYLL § 222, the insularity which they possessed as a "discrete" class cannot be viewed as continuing, and no basis then exists for special judicial solicitude. See dissenting opinion of Platt, D.J., App. C., p. 21a.

Although the district court majority did not determine the constitutionality of the twelve month residence requirement applicable to citizen laborers, it referred to as "another wrong" and thus erroneously considered its effect upon the appropriate standard of review. App. A., pp. 9a, 14a, n. 3. As Judge Platt correctly stated in response, preferences among citizens in no sense constitute a "wrong," App. C, pp. 21a, and are properly reviewed under the traditional reasonable relation test when they do not, as herein, effect fundamental interests or the capacity to subsist. *Id.* p. 22a. See *Memorial Hospital v. Maricopa County*, 415 U.S. 250, 258-260 (1974); *Sturgis v. Washington, supra*; *Starns v. Malkerson, supra*;

(footnote continued from preceding page)

equal protection component. As such, appellees submit that the judicial review afforded a five year durational residence requirement for aliens receipt of Medicare benefits can not be less scrupulous than for state limitations of the same type.

*Hooban v. Boling*, 503 F.2d 648 (6th Cir. 1974) cert. den. — U. S. —, 95 Sup. Ct. 1585 (1975). Accord, *Vlandis v. Kline*, 412 U. S. 441 (1973) (issue raised under Due Process Clause).

**B. The preference provided for established citizen residents by NYLL § 222 is appropriately related to legitimate and substantial state interests in the relief of unemployment.**

The preference provided by NYLL § 222 for established citizen residents is akin to the Medicare benefits described as a bounty in *Mathews v. Diaz, supra*, and to the tuition benefits and veterans' preference credits which this court has previously sustained and which the dissenting opinion cites as analogous. App. C, p. 22a. Given a legitimate or substantial basis for the classification, the "conscientious sovereign" may choose to share its bounty among some of its own citizens as well as among its citizens and some of its guests. *Mathews v. Diaz, supra* at 4452.

It is long settled that employment on public works is an appropriate tax supported means for relieving unemployment. *People v. Crane*, 214 N.Y. 154, 162, 164-165, 171, aff'd sub nom. *Crane v. New York*, 239 U.S. 195 (1915). See dissenting opinion, App. C, pp. 17a-18a. In sustaining a former version of § 222 which barred aliens, Judge Cardozo found that "[w]hen payment for public works is to be made from public funds, [the State] may prefer in employment its own citizens, since to them the legislature may believe that the first duty is owing." *People v. Crane*, 214 NY at 164 (Emphasis added.) That ground of difference continues to support § 222 as it is currently in force.

In relieving unemployment, the Legislature may distinguish among the objects of its concern based upon their degree of identification, or affinity, with the state. See



*Mathews v. Diaz, supra.* That identification may be assessed in terms of its socio-political character, i.e. whether the alien has chosen to become a full participant in the affairs of his host country by becoming a naturalized citizen, as well as in terms of duration of residence. The Legislature may also establish a classification based upon these criteria simply to encourage a course of conduct among alien residents which will enhance their political identification with the state. This is so at least under the circumstances herein when all state inhabitants are protected from pauperism by public assistance payments and when only one means of relieving unemployment is placed in issue.

*Sugarman v. Dougall, supra,* is not opposed. No issue was presented in that case as to the state's power to distinguish among residents in the distribution of what must be conceded to be a benefit, or bounty. In addition, NYLL § 222 does not involve the foreclosure of an entire occupational field as did the public employment limitation in *Sugarman*. Accord, *In re Griffiths, supra.*

**C. New York Labor Law § 222 does not violate the Supremacy Clause.**

*De Canas v. Bica, supra,* at 4236-4237 establishes the principle that the federal power over immigration and naturalization does not of itself pre-empt the states from enacting laws concerning aliens.

As the dissenting opinion of Judge Platt recognizes, NYLL § 222 does not, by its terms or effect, reach questions of immigration or naturalization reserved to the federal government, and no federal statute exists which pre-empts the field covered § 222. App. C, pp. 22a-23a. Moreover, the statute does not burden the migration of alien to New York inconsistently with the doctrine of *Traux v. Raich*, 239 U. S. (1915). As with prefer-

ences for in-state residents, NYLL § 222 does not exclude the alien, it simply does not provide him with an inducement to enter.

**CONCLUSION**

**For the foregoing reasons, it is respectfully requested that this court note probable jurisdiction and grant plenary consideration to the instant appeal.**

Dated: New York, New York, June 15, 1976.

Respectfully submitted,

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**APPENDIX A**

**Opinion of the Three-Judge District Court.**

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK**

**75 C 1172**

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**C.D.R. ENTERPRISES, LTD., et al.,** Plaintiffs,  
*against*

**THE BOARD OF EDUCATION OF THE CITY OF NEW YORK,** Defendant.

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**75 C 1411**

**ULYSEUS C. PAINTING & G.C. CORP., et al.,** Plaintiffs,  
*against*

**BERNARD J. LAKRITZ as Director of the Bureau of Maintenance and Operation of the Division of School Buildings of the Board of Education of the City of New York, et al.,** Defendants.

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**Before GURFEIN, Circuit Judge, and NEAHER and PLATT, District Judges.**

**GURFEIN, Circuit Judge:**

These two actions involve challenges to the constitutionality of Section 222 of the New York Labor Law,



*Opinion of the Three-Judge District Court.*

which provides that in the construction of public works, preference in employment must be given to citizens of the State of New York who have resided in New York for at least twelve months.

Until August 9, 1975, § 222 provided that in the construction of public works by the state or a public entity, preference in employment was to be given to citizens of the State of New York who have been residents for at least six months, and that persons other than citizens of the State of New York may be employed when such citizens are not available.<sup>1</sup>

Section 222 was amended by Chapter 845 of the Laws of 1975, effective August 9, 1975. The amended statute provides that preference in employment must be given to citizens of the State of New York who have been residents of the state for at least *twelve* consecutive months. It further provides that whenever the unemployment rate in a statistical metropolitan sampling area (SMSA) in New York State is determined by the federal Labor Board Bureau of Labor Statistics to be six per cent or more for a period of three consecutive months, preference in that SMSA shall be given first to the qualified citizens of the state who have been residents of such SMSA for twelve consecutive months, the preference to continue until the unemployment rate for such SMSA shall be below six per cent for three consecutive months. It also provides that persons other than citizens of the State of New York or residents of SMSA may be employed when such citizens or residents are not available.<sup>2</sup>

In the first case, plaintiff C.D.R. Enterprises, Ltd. ("C.D.R.") is a painting contractor, the primary source of whose business is painting contracts awarded to it by New York governmental agencies. Plaintiff Felix T. Gloro is the president of C.D.R., and plaintiff Charles D'Aleo is its secretary. Plaintiff Daniel Olivo is a legal

*Opinion of the Three-Judge District Court.*

resident alien, who has resided in New York County for over a year. He is employed by C.D.R. as a painter, and alleges that he wishes to do work on New York governmental contracts, but has not been assigned any such work by C.D.R. because of its concern over the possible application of § 222.

The parties have stipulated that C.D.R. was awarded an \$85,000 contract by defendant Board of Education of the City of New York ("Board") to paint Public School No. 61, located in the Bronx. This contract provided that the contractor must strictly comply with all applicable provisions of the New York Labor Law, and that the Board may declare the contractor to be in default if it has violated any provision of the contract.

In April 1975, C.D.R. hired Laudalino Rosabal ("Rosabal"), a registered resident alien, as a painter, and assigned him to paint at Public School No. 61, where he worked for several weeks. Thereafter, C.D.R. was given written notice by the defendant to appear before its Board of Review on a charge of default of contract. When C.D.R. appeared, the Board of Review submitted papers which indicated that Rosabal was an alien. The Board further stated that Rosabal's employment was in violation of § 222. Plaintiffs allege that the Board intends to make a determination that C.D.R. committed a default of contract by employing Rosabal, and that the Board intends to cancel C.D.R.'s contract and to disqualify C.D.R. and its principals from all future bidding on contracts with the Board, by reason of this default.

In the second case, the plaintiffs, Ulyseus C. Painting & G.C. Corp. ("Ulyseus"), Laconia Painting Corp., Stratos Contracting Corp., Astoria Painting Co., Inc. and Hellas Contracting Corp., are painting contractors whose principal source of business is contracts to paint school buildings for the Board. It has been stipulated that plaintiff Ulyseus assigned Dimitrios Papadimitriou, Andreas

*Opinion of the Three-Judge District Court.*

Andreoulakis, Dimitrios Firinlos, Alex Kapayianides and Timotheos Vlachos, who are permanent resident aliens lawfully admitted to the United States, to work on contracts it had with the Board. All of these aliens have resided in New York County for over a year, except for Vlachos, who resides in Nassau County, which is outside the New York City Area SMSA.<sup>3</sup> The other plaintiffs in this action also employ aliens to do painting for the Board.

Plaintiffs allege that defendant John T. Carroll, Director of Construction of the City of New York, on June 23, 1975, sent a memorandum to all construction agencies directing that § 222 of the New York Labor Law be strictly enforced since the employment of aliens constitutes an economic detriment to citizens of New York. They further allege that the defendant Bernard J. Lakritz, Director of the Bureau of Maintenance and Operation of the Division of School Buildings of the Board of Education of the City of New York, sent a letter to each of the plaintiffs on July 14, 1975, threatening that contractors who employ alien labor will have their contracts declared void and will not be eligible for award of future Board contracts. It is further alleged that on August 18, 1975, the defendant William Gleeson ("Gleeson"), a civil engineer employed in the Office of Maintenance and Operation of the Division of School Buildings of the Board of Education, told the attorney for the plaintiffs that he would cancel all contracts of employers who employed aliens, and that on the next day Gleeson appeared at a job site where one of the plaintiffs was engaged in performing a contract for the Board of Education and told its president to stop work because it was allegedly violating § 222.

Plaintiffs in both actions contend that Section 222 of the Labor Law is unconstitutional in that it violates the equal protection and due process clauses of the Fourteenth Amendment. The plaintiffs in the second action also con-

*Opinion of the Three-Judge District Court.*

tend that § 222 interferes with a comprehensive scheme enacted by Congress in the exercise of its exclusive power over immigration, that it violates the Supremacy Clause, the right to travel, and the privileges and immunities clauses of Article IV and of the Fourteenth Amendment, and that it is unconstitutionally vague.

Plaintiffs requested that a three-judge court be convened, that Section 222 of the New York Labor Law be declared unconstitutional, and that the defendants be enjoined from cancelling the plaintiffs' contracts and from taking any action to enforce the statute or any rules and regulations promulgated thereunder. Jurisdiction is invoked under 28 U.S.C. §§ 1331 and 1343.

I

The lawfully admitted resident alien who is denied employment because a citizen is preferred is almost as much the object of discrimination as the resident alien who is denied the right to employment at all. He has been classified as a person who need not receive the equal protection of the laws because of his status. Yet a resident alien is surely a "person" within the meaning of the due process and equal protection clauses. *Yick Wo v. Hopkins*, 118 U.S. 356, 369 (1886); *Traux v. Raich*, 239 U.S. 33, 39 (1915); *Takahashi v. Fish & Game Commission*, 334 U.S. 410, 420 (1948); *Graham v. Richardson*, 403 U.S. 365, 371 (1971); *Sugarman v. Dougall*, 413 U.S. 634, 641 (1973); *In re Griffiths*, 413 U.S. 717, 719-20 (1973). Since a lawfully admitted resident alien is a "person" within the protection of the Fourteenth Amendment, a statute which puts him in a class with less privileges than a citizen of the state requires close judicial scrutiny. *Graham v. Richardson*, *supra*, 403 U.S. at 371-72. As Mr. Justice Blackmun said in *Graham*, "[a]liens as a class are a prime example of a 'discrete and insular' minority (see *United States v.*



*Opinion of the Three-Judge District Court.*

*Carolene Products Co.*, 304 U.S. 144, 152-153, n. 4 (1938)) for whom such heightened judicial solicitude is appropriate." 403 U.S. at 372.<sup>4</sup> Since the classification is invidious on its face, "close judicial scrutiny" would require us to find a compelling justification for the statute. See *In re Griffiths*, *supra*, 413 U.S. at 721-22 (Powell, J.).

The Supreme Court in recent years has rejected certain justifications for the different treatment of resident aliens. The earlier cases, see *Heim v. McCall*, 239 U.S. 175 (1915); *Crane v. New York*, 239 U.S. 195 (1915), rested on two constitutional doctrines that were closely related. The first was that a substantial constitutional difference existed between a right and a privilege. The second was that a special public interest could support a discriminatory classification. The interrelation of the two concepts is illustrated by Judge Cardozo's reasoning in *People v. Crane*, 214 N.Y. 154, 108 N.E. 427 (1915). There, relying on the doctrine that special public interest permitted the exclusion of aliens from public works by a state in order to give preference to its citizens, he acknowledged that the foundation of the public interest doctrine was that "[w]hatever is a privilege, rather than a right, may be made dependent on citizenship." 214 N.Y. at 164, 108 N.E. at 430.

But as Mr. Justice Blackmun pointed out in *Graham v. Richardson*, *supra*, 403 U.S. at 374, the Supreme Court "has rejected the concept that constitutional rights turn upon whether a government benefit is characterized as a 'right' or as a 'privilege'" (citing cases beginning with *Sherbert v. Verner*, 374 U.S. 398, 404 (1963), and including *Shapiro v. Thompson*, 394 U.S. 618, 627 n.6 (1969)).

In *Graham*, which involved the right to welfare assistance, the Court held that even though getting enough food to live could be considered a privilege, public assistance could, nevertheless, not be denied a resident alien. The

*Opinion of the Three-Judge District Court.*

next question is obviously whether his right to work is not as much protected as his right to eat. In *Sugarman v. Dougall*, *supra*, the Court held in an eight-to-one decision (Mr. Justice Rehnquist dissenting) that New York could not constitutionally prevent resident aliens from working in the competitive class of the civil service of the state.

In *Sugarman*, the state at least had the argument that the civil servant participates directly in the formulation and execution of government policy, an argument that does not apply to an alien, employed by a private contractor, who paints walls. Closely scrutinizing the statute, the Court in *Sugarman* rejected that argument. But cf. *Town of Milton v. Civil Service Commission*, 312 N.E.2d 188 (Mass. 1974) (durational residency requirement for police officers upheld because of necessity that policemen become familiar with the community).

The Court then turned to the state's argument that "a State constitutionally may confine *public* employment to citizens." 413 U.S. at 643 (emphasis added). It decided that the "special public interest" doctrine was no more applicable to justify denial of the right to work in public employment than it had been to deny welfare assistance in *Graham v. Richardson*, *supra*.

Mr. Justice Blackmun said in language that is controlling here:

"We perceive no basis for holding the special-public-interest doctrine inapplicable in *Graham* and yet applicable and controlling here. A resident alien may reside lawfully in New York for a long period of time. He must pay taxes. And he is subject to service in this country's Armed Forces. . . . The doctrine, rooted as it is in the concepts of privilege and of the desirability of confining the use of public resources, has no applicability in this case. To the extent that *Crane*, *Heim* and *Clarke* intimate otherwise, they

*Opinion of the Three-Judge District Court.*

were weakened by the decisions in *Takahashi* and *Graham*, and are not to be considered as controlling here." 413 U.S. at 645.

"Here" means in cases involving public employment unless the particular requirement of a specified job supports a compelling interest. See, e.g., *Town of Milton v. Civil Service Commission*, *supra*.

The Constitution means what the Supreme Court says it means at a given time. The inferior federal courts must follow, in good conscience, the doctrines expounded by the Court. Constitutional law depends not on precise verbiage but on the evolution of doctrine to fit the times. It is not the function of the inferior federal courts to declare new doctrines or to find new meaning in the Constitution unless the controversy compels it. At the same time it is not the function of the federal courts to rely on older precedents based on articulated premises which have since been rejected in later decisions. See *Healy v. Edwards*, 363 F. Supp. 1110, 1117 (E.D. La. 1973) (three-judge court), *vacated and remanded to consider possible mootness*, 421 U.S. 772 (1975). *Crane* and *Heim* are not simply moribund; we believe they are dead. Otherwise the results in *Graham* and *Dougall* could not have been reached.

The issue before us is not whether the New York statute can survive constitutional attack based on the *Crane-Heim* approach but whether the later cases of *Graham*, *Dougall* and *In re Griffiths* can properly be distinguished.

The determination of whether there is a constitutional distinction between a "preference" and an "exclusion" cannot be based on the superseded doctrine of *Crane*. The state has a duty to all its lawful residents, resident alien or citizen. It must try to see to it that they do not starve, that they have equal access to state public employment, as well as membership in the Bar, and that they have equal access to private employment. *Truax v. Raich*, *supra*. Its duty to reduce unemployment is as much a duty to the

*Opinion of the Three-Judge District Court.*

alien as to the citizen for the very reasons stated by Mr. Justice Blackmun and Mr. Justice Powell. See *State v. Wylie*, 516 P.2d 142, 149 (Alaska 1973).<sup>5</sup> Discrimination against a class of "persons" (resident aliens) who are house painters has even less justification to support it than discrimination against the same class (resident aliens) for managerial positions in the civil service.

Once the class is "suspect" its separate classification invites as close judicial scrutiny as would racial or religious discrimination. One could scarcely contend that a state might grant a "preference" in public employment to whites over blacks or Protestants over Catholics, or perhaps even to men over women, because of the problem of unemployment.

Nor can the contention be sustained that because others than resident aliens, namely, citizens with less than twelve months residence, are also not preferred for employment, the statute is saved. It is probably true that most statutes which discriminate against aliens discriminate against them exclusively. But the addition of another wrong can hardly make a right. *Shapiro v. Thompson*, *supra*, determined that a twelve-month durational residency requirement for receipt of welfare benefits infringed the constitutionally protected right to travel, and while we need make no determination on the matter here, there is no reason to suppose that New York has a right to impede the employment of a New Jersey citizen who has recently moved to New York.<sup>6</sup> See *York v. State*, 53 Hawaii 557, 498 P.2d 644 (1972); *State v. Wylie*, *supra* (preference in public hiring based on residence held unconstitutional).

The cases upholding veterans' preference for appointments to civil service jobs are distinguishable. There is a compelling public interest to "compensate [veterans] in some measure for the disruption of a way of life . . . and to express gratitude for such [military] service." *Russell v. Hodges*, 470 F.2d 212, 218 (2 Cir. 1972) (Friendly, J.).



*Opinion of the Three-Judge District Court.*

There is no basis comparable to military service to support a preference in employment for a citizen against a resident alien.

We follow the principle recognized by the three-judge court in *Dougall v. Sugarman*, 339 F. Supp. 906, 909 (S.D.N.Y. 1971), where Judge Tenney boldly took the position:

"Taken together, *Graham* and *Takahashi* sufficiently weaken the value of *Crane* and *Heim* as precedents for upholding state laws denying aliens government employment, and, therefore, those cases can be viewed as implicitly overruled and no longer law."

We think his prophetic judgment was sustained by the Supreme Court in their affirmance.

## II

The Court held in *Graham v. Richardson*, *supra*, 403 U.S. at 376-80, that the discriminatory classification by the states of lawfully resident aliens with regard to welfare violates the Supremacy Clause, U.S. Const., art. VI, cl. 2, since immigration and regulation of aliens is vested exclusively in the federal government. As the Court said in *Takahashi v. Fish & Game Commission*, *supra*, 334 U.S. at 419, "[the states] can neither add to nor take from the conditions lawfully imposed by Congress upon admission, naturalization and residence of aliens in the United States or the several states." The Court in *Graham* emphasized that "aliens lawfully within this country have a right to enter and abide in any State in the Union 'on an equality of legal privileges with all citizens under non-discriminatory laws.' *Takahashi*, 334 U.S., at 420." 403 U.S. at 378.<sup>6</sup> See also *Truax v. Raich*, *supra*, 239 U.S. at 42. And the Court recently, in upholding a California statute barring

*Opinion of the Three-Judge District Court.*

employment of *aliens not entitled to lawful residence in the United States* against a claim that it violated the Supremacy Clause, noted that "[o]f course, state regulation not congressionally sanctioned that discriminates against aliens *lawfully admitted* to the country is impermissible if it imposes additional burdens not contemplated by Congress." *DeCanas v. Bica*, 44 U.S.L.W. 4235, 4237 n.6 (U.S. Feb. 25, 1976) (emphasis added). We agree with Judge Tenney's reasoning in *Dougall v. Sugarman*, *supra*, 339 F. Supp. at 910-11, where he relied on the Supremacy Clause as well as the equal protection clause of the Fourteenth Amendment to strike down a statute which discriminated against permanent resident aliens in civil service employment. See also *Purdy & Fitzpatrick v. State*, *supra*, 71 Cal. 2d 566, — - —, 456 P.2d 645, 649-53, 79 Cal. Rptr. 77, 81-85 (1969) (rejecting the argument that conditions of unemployment in the state validated discrimination against lawfully admitted aliens).

We can see no valid distinction between the arguments so ably presented by the Assistant Attorney General in this case and the argument she made before the Supreme Court in *Sugarman v. Dougall*, *supra*.

The defendant public officers and the Board of Education will be enjoined from cancelling contracts with the plaintiffs and will be permanently enjoined from enforcing Section 222 of the New York Labor Law and the regulations promulgated thereunder insofar as they grant a preference in employment to citizens over aliens who are lawfully admitted residents.

So ORDERED.

MURRAY I. GURFEIN  
MURRAY I. GURFEIN, U.S.C.J.

EDWARD R. NEAHER  
EDWARD R. NEAHER, U.S.D.J.

*Opinion of the Three-Judge District Court.*

## FOOTNOTES

<sup>1</sup> Section 222, prior to the 1975 amendment, provided as follows:

In the construction of public works by the state or a municipality, or by persons contracting with the state or a municipality, preference shall be given to citizens of the state of New York who have been residents for at least six consecutive months immediately prior to the commencement of their employment. Each person so employed shall furnish satisfactory proof of residence, in accordance with rule adopted by the industrial commissioner. Persons other than citizens of the state of New York may be employed when such citizens are not available. In each contract for the construction of public works a provision shall be inserted that if this section is not complied with, the contract shall be void. All boards, officers, agents or employees of cities having a population of one hundred seventy-five thousand or more according to the last state enumeration or federal census having the power to enter into contracts which provide for the expenditure of public money on public works, shall file in the office of the department the names and addresses of all contractors holding contracts with said cities. Upon the demand of the commissioner a contractor shall furnish a list of the names and addresses of all his subcontractors. Each contractor and subcontractor performing public works shall keep a list of his employees, stating whether they are citizens of the state of New York, native born citizens or naturalized citizens and in case of naturalization, the date thereof, and the name of the court in which granted. A violation of this section shall constitute a misdemeanor and shall be punishable by a fine of not less than fifty dollars nor more than five hundred dollars, or by imprisonment for not less than thirty nor more than ninety days, or by both fine and imprisonment.

<sup>2</sup> As amended, § 222 now provides in full as follows:

In the construction of public works by the state, a municipal subdivision including a school district, or a state or municipal public benefit corporation, authority or commission or any agency entering into public works projects providing for the expenditure of public money or by persons contracting with the state, a municipal subdivision including a school district, or a state or municipal public benefit corporation, authority or commission, or any agency entering into public works projects providing for the expenditure of public money,

*Opinion of the Three-Judge District Court.*

preference in employment shall be given to citizens of the state of New York who have been residents of the state for at least twelve consecutive months immediately prior to the commencement of their new employment. In addition to the foregoing provisions, whenever the unemployment rate in a statistical metropolitan sampling area (SMSA) in New York state is determined by the federal Labor Board Bureau of Labor Statistics to be six per centum or more for a period of three consecutive months, such preference in employment on public works projects in that SMSA shall be given first to the qualified citizens of the state of New York who have been residents of such SMSA for twelve consecutive months prior to the commencement of their employment, said preference to continue until such time as the unemployment rate for such SMSA as so established shall be below six per centum for three consecutive months. The provisions of this section shall not be applicable to any such corporation, authority or commission whose existence and jurisdiction is fixed by compact, treaty, action or agreement with other states or nations. Each person so employed shall furnish satisfactory proof of residence and qualification in their trade or skill, in accordance with rule adopted by the industrial commissioner. Persons other than citizens of the state of New York or residents of such SMSA may be employed when such citizens or residents are not available. In each contract for the construction of public works a provision shall be inserted that if this section is not complied with, the contract shall be void. All officers, agents or employees of the public entities set forth in the foregoing, having the power to enter into contracts which provide for the expenditure of public money on public works, shall file in the office of the department the names and addresses of all contractors holding contracts with such public entities, together with a description of the work and its location. The commissioner shall require each contractor to furnish a list of the names and addresses of all his subcontractors. Each contractor and subcontractor performing public works shall keep a list of his employees, stating whether they are citizens of the state of New York, native born citizens or naturalized citizens and in case of naturalization, the date thereof, and the name of the court in which granted, a copy of which shall be filed in the office of the department. All information required to be filed pursuant to this section shall be filed in accordance with the rules of the industrial commissioner. All of the data and information required by this section to be filed with the department shall be available for public inspection and copying, subject to and in accordance with the provisions



*Opinion of the Three-Judge District Court.*

of article six of the public officers law, constituting the freedom of information law. A violation of this section shall constitute a misdemeanor and shall be punishable by a fine of not less than fifty dollars nor more than five hundred dollars, or by imprisonment for not less than thirty nor more than ninety days, or by both fine and imprisonment.

<sup>3</sup> The only point raised by plaintiffs is with regard to discrimination against Vlachos as an alien, not as a non-resident of the SMSA. We do not consider the constitutionality of the statute in the latter respect.

<sup>4</sup> Paradoxically, the New York Legislature has enacted the principle that "[t]he opportunity to obtain employment without discrimination because of age, race, creed, color, national origin, sex or marital status is hereby recognized as and declared to be a civil right." N.Y. Executive Law § 291(1) (McKinney Supp. 1975). The term "persons" in the New York Human Rights Law includes "individuals." *Id.* § 292(1) (McKinney 1972). "Citizenship" is nowhere mentioned. See *id.* §§ 290-301.

<sup>5</sup> The state makes no claim that the employment of resident aliens would undercut wage scales, for in New York, contractors on public works are required to pay no less than "the prevailing rate of wages." N.Y. Labor Law § 220(3) (McKinney Supp. 1975).

<sup>6</sup> In the case at bar, all the aliens involved have resided in New York State for more than twelve months. Hence they are barred from public employment *only* because they are aliens.

<sup>7</sup> Judge Lumbard, concurring, agreed that "the 'special public interest' doctrine and the Court's earlier decisions in [*Heim*] and [*Crane*] can no longer be viewed as controlling in light of the Court's language in [*Graham*] and [*Takahashi*]." 339 F. Supp. at 911. The Supreme Court of California, as early as 1969, held that a statute excluding aliens from public employment could not be upheld under *Heim* because in *Takahashi, supra*, "the United States Supreme Court dealt a death blow to the 'proprietary' rationale as a justification for exclusion of aliens from certain occupations." *Purdy & Fitzpatrick v. State*, 71 Cal. 2d 556, —, 456 P.2d 645, 657, 79 Cal. Rptr. 77, 89 (1969).

<sup>8</sup> Mr. Justice Harlan concurred in Part III of the *Graham* opinion which held the New York statute invalid under the Supremacy Clause, making the Court unanimous on this point.

**APPENDIX B**

**Opinion of Neaher, District Judge, Concurring.**

NEAHER, District Judge, concurring.

Although Section 222 of the New York Labor Law, as amended, was undoubtedly a well-intentioned effort to alleviate unemployment among New York citizens, it cannot withstand constitutional scrutiny because of its failure to distinguish between lawfully resident aliens and those who are not, as Judge Gurfein so cogently explains. I simply wish to add my view that the statute unfortunately discriminates impermissibly not only against lawfully resident aliens but also against citizen businessmen of the State.

The plaintiffs here include not only lawfully resident aliens but also domestic corporations owned and operated by New York citizens. Section 222 denies them the right to bid for and perform public work contracts solely because they employ such aliens. Business corporations such as plaintiffs although not citizens are "persons" and thus entitled to equal protection of the laws under the Fourteenth Amendment. *Grosjean v. American Press Co.*, 297 U.S. 233, 244 (1936); *Safeguard Mutual Insurance Co. v. Miller*, 472 F.2d 732, 733 (3 Cir. 1973). They may not be subjected to arbitrary regulations which interfere with their ordinary and lawful business operations.

Even though the plaintiff corporations may be free to deny employment to aliens, see, e.g., *Espinoza v. Farah Manufacturing Company, Inc.*, 414 U.S. 95, 94 S.Ct. 334 a general rise in the level of unemployment due to adverse economic conditions does not provide even a rational basis, let alone a compelling reason for the State to penalize them as employers of alien labor in the manner prescribed by § 222. In the first place, such economic conditions are obviously beyond their control. Secondly, those conditions are as likely to bring unemployment to aliens as to citizens,

*Concurring Opinion.*

if not more so. Thirdly, from the standpoint of State revenues, the State benefits from the employment of *all* residents, regardless of citizenship.

Of course the State has both an interest and a responsibility to promote conditions that will bring maximum employment opportunities to all lawful residents. In awarding public works contracts, however, the State's primary interest is to ensure that the work is performed efficiently, competently and at the lowest cost to the public treasury. Section 222 is not at all concerned with the achievement of those objectives but only with the citizenship status of those who will do the work. That basis of distinction is purely arbitrary and no longer permissible under the authorities cited by Judge Gurfein.

EDWARD R. NEAHER  
U. S. D. J.

**APPENDIX C****Opinion of Platt, District Judge, Dissenting.**

PLATT, District Judge, dissenting.

From 1909 through 1915 the predecessor to § 222, viz: Section 14 of the New York Labor Law, provided that

“§ 14. Preference in employment of persons upon public works.—

In the construction of public works by the state or a municipality, or by persons contracting with the state or such municipality, *only citizens of the United States shall be employed*; and in all cases where laborers are employed on any such public works, preference shall be given citizens of the state of New York. In each contract for the construction of public works a provision shall be inserted, to the effect that, if the provisions of this section are not complied with, the contract shall be void \* \* \*”. (Emphasis added).

Section 14 was amended by Act of March 11, 1915 to provide that

“In the construction of public works by the state or a municipality, or by persons contracting with the state or such municipality, preference shall be given to citizens over aliens. *Aliens may be employed when citizens are not available* \* \* \*”. (Emphasis added).

In a case involving the first version of the statute, i.e., where employment of aliens upon public works was prohibited, and in the face of an argument that such statute was unconstitutional in that it denied to the plaintiffs the equal protection of the law afforded by the Fourteenth Amendment to the Constitution, the Supreme Court of the United States held that “the Labor Law of New York and



*Dissenting Opinion.*

its threatened enforcement do not violate the Fourteenth Amendment or the rights of plaintiffs in error thereunder \* \* \*. *Heim v. McCall*, 239 U.S. 175, 194 (1915). This case was immediately followed by *Crane v. New York*, 239 U.S. 195 (1915) wherein the Supreme Court reaffirmed its holding in the *Heim* case and held further that a distinction made between aliens and citizens does not violate "the principle of classification", in that there was an adequate basis for such a distinction and classification. The *Crane* case also held that the enforcement of said law did not deprive plaintiffs and his employees of liberty and property without due process of law.

The majority today holds that the *Crane* and *Heim* cases were declared to have been "weakened" and "not to be considered as controlling here" by the Supreme Court in *Sugarman v. Dougall*, 413 U.S. 634, 644-646 (1973), and that such conclusion was foretold in *Graham v. Richardson*, 403 U.S. 365, 376 (1971); *Shapiro v. Thompson*, 394 U.S. 618 (1969); *Takahashi v. Fish & Game Commission*, 334 U.S. 410 (1948); and see also *In Re Griffiths*, 413 U.S. 717, 721-722, 729 (1973); *Ramos v. U.S. Civil Service Commission*, 376 F.Supp. 361 (D. Puerto Rico 1974).

Each of these cases, however, dealt with a prohibition against aliens, not a preference with respect to them as is the situation in the case at bar under the current version of the New York Statute. This factor alone is sufficient to distinguish this case from those cases.

Classifications based on nationality may well be "inherently suspect and subject to close judicial scrutiny," *Graham v. Richardson*, 403 U.S. 365, 372 (1971), and further "a State which adopts a suspect classification [may] 'bear[s] a heavy burden of justification' \* \* \* [and] in order to justify the use of a suspect classification, a State [may have to] show that its purpose or interest is both constitutionally permissible and substantial, and that its

*Dissenting Opinion.*

use of the classification is 'necessary \* \* \* to the accomplishment' of its purpose or the safeguarding of its interest", *In re Griffiths*, 413 U.S. 717, 721-22 (1973) (footnotes omitted). But the fact remains that the very same U.S. Supreme Court has specifically held in dealing with the predecessor of the statute in question in a more "invidious" form that the view that it violated the principle of classification was "without foundation". (*Crane v. New York*, 239 U.S. at p. 198). If *Heim* and *Crane* are to be overruled, the Supreme Court itself should do it. As was stated in *Salerno v. American League of Professional Baseball Clubs*, 429 F.2d 1003, 1005 (2d Cir. 1970), cert. denied, 400 U.S. 1000 (1971):

"[T]he Supreme Court should retain the exclusive privilege of overruling its own decisions, save perhaps when opinions already delivered have created a near certainty that only the occasion is needed for pronouncement of the doom."

See also: *United States v. Karathanos*, — F.2d — (2d Cir. Feb. 2, 1976), slip op. 1713, 1721.

I am not unmindful of the alleged destruction of the underpinning of *Crane* and *Heim*, i.e., the so-called public interest doctrine theory, and of the "trend of the law" as indicated in the more recent cases cited by the plaintiffs but I do not feel that we should be expected to override in this case so definitive a position taken by the Supreme Court.

This is particularly true where we are asked to apply a judicial veto to a statute whose objectives have for generations been considered appropriate and necessary by the duly elected representatives of the people of the sovereign State of New York. Much lip service is given to the responsibility of state and local governments to alleviate their own unemployment problems, and to the undesirability of turning to the federal government for

*Dissenting Opinion.*

cures to such ills. At the same time the federal government has failed to remove the burdens placed on states by welfare and other costs even though the logic of *Graham v. Richardson*, 403 U.S. 365 (1971), would indicate that those burdens would more sensibly be placed on the central government. Until corrections are made in this area, it is premature to overrule *Crane* and *Heim*, for that step would make it more difficult for the states to perform public assistance tasks.

It stands to reason that if the State of New York enacts legislation creating and funding additional jobs and makes them available to all comers at a time when unemployment is widespread (as it is today) there will be an influx of non-New Yorkers, both citizens and aliens, seeking such jobs and New York's desirable objective of eliminating unemployment within its borders will have been frustrated and defeated despite considerable taxpayer expense. Common sense told the State legislators, and it tells this writer, that this course merely compounds, and in no way alleviates, the problem which New York is legitimately and properly attempting to correct, and that it can only discourage New York and other states from taking any action to reduce unemployment.

In short, equal opportunity between citizens and aliens for jobs created by Congressional legislation to alleviate unemployment on a nationwide basis may make some sense (assuming *arguendo* one wants to draw no distinction between an alien and a citizen other than the right to vote). But the application of such a doctrine to frustrate and defeat a state's attempt to solve the pressing local problems it faces under presently existing laws and conditions is nothing but theoretical and unrealistic and can in reality only be considered harmful.

Moreover, if mere labels such as "suspect classification", "invidious discrimination", etc., are put aside and the

*Dissenting Opinion.*

situation viewed with some objectivity, there are two good legal grounds on which this statute may be sustained; first, in that the statute now does not just give preferences to persons other than aliens but provides for a carefully developed plan which gives preferences even to various groups of New York residents as against other groups of New York residents, and second, in that statutory preferences to various deserving groups have heretofore been sustained by the courts in the face of equal protection challenges.

With respect to the first of such grounds, the majority say in essence that two wrongs do not make a right. That, however, is not an answer because it is not a "wrong" under the federal Constitution for a State, for example, to provide jobs for residents of one area of the state which has suffered from heavy lay-offs and unemployment and not to those of another more affluent area. The preference here is, as indicated, merely part of a comprehensive, realistic plan to solve a pressing economic problem. Clearly states should have the power to develop carefully considered plans to alleviate unemployment, and differentiate between eligible persons therefor on a preferential basis only, so long as they do not single out and discriminate against a particular group. New York has designed and enacted just such a plan in its present statute. I note that the Supreme Court in *Takahashi* (and in *Sugarman*) merely held that "the power of a state to apply its laws *exclusively* to its alien inhabitants as a class is confined within narrow limits", 334 U.S. at p. 420, 413 U. S. at p. 642 (emphasis added). It did not hold that non-exclusive preferences as a part of general plan to reduce unemployment of the sort involved here were prohibited, "suspect", "invidious", or anything else.

In my view, then, what saves this statute is the fact that it represents a reasonable and logical attempt and



*Dissenting Opinion.*

plan to cure a real and present economic evil which has been thrust upon the State of New York in part by congressional inaction and in part by past mandates of the federal courts.

As to the second ground, particular attention should be paid to the tuition cases, *e.g.*, *Sturgis v. Washington*, 368 F.Supp. 38 (W.D. Wash.), *aff'd* 414 U.S. 1057 (1973), and *Starns v. Malkerson*, 326 F.Supp. 234 (D.Minn. 1970), *aff'd* 401 U.S. 985 (1971). Those cases can only be read as holding that a state may limit receipt of public moneys or benefits (other than the necessities of life, see *Shapiro v. Thompson*, *supra*) to those who meet reasonable requirements that demonstrate their status as bona fide members of the commonwealth. The obvious intent of tuition provisions like those at issue in *Sturgis* and *Starns* is to discourage the exploitation of the state treasury by those from outside the commonwealth, which exploitation can discourage and render futile efforts by the state to solve its social problems. See also *August v. Bronstein*, 369 F.Supp. 190 (S.D.N.Y.), *aff'd* 417 U.S. 901 (1974) and *Russell v. Hodges*, 470 F.2d 212 (2d Cir. 1972).

For these reasons I would adhere to the decisions heretofore made by the United States Supreme Court with respect to Section 222's predecessor and hold such Section constitutional, particularly as set forth in its present form.

I feel that there is little merit to plaintiffs' remaining arguments. I see no interference with regulations by Congress of or with respect to immigration and naturalization. New York in Section 222 has imposed no burden upon the entrance or residence of aliens in New York or elsewhere within the United States. It has merely not provided an added attraction which might tempt aliens or others who are non-residents of New York to move from places in which they presently reside to New York.

Moreover, the writer sees nothing in the Immigration and Nationality Act of 1952, 8 U.S.C. § 1101, *et seq.*, which

*Dissenting Opinion.*

pre-empts the field with respect to the employment of aliens and citizens in New York or on a nationwide basis or precludes New York or any other state from dealing with the problem involved here in the manner which New York has selected. Again, if Congress wishes to enact legislation, dealing with unemployment on a nationwide basis, affording equal opportunity to citizens and aliens alike, or if it wishes to assume responsibility for all welfare costs, etc., the way is clearly open to it to do so but in the meanwhile one must be practical and sensible and deal with the problem at hand given the existing laws, facts and circumstances.

The majority seeks comfort in a footnote in the recent Supreme Court opinion in *DeCanas v. Bica*, — U.S. —, 44 USLW 4235 (Feb. 26, 1976), viz:

"Of course, state regulation not congressionally sanctioned that discriminates against aliens lawfully admitted to the country is impermissible if it imposes additional burdens not contemplated by Congress." 44 USLW at p. 4237 n. 6,

but I respectfully submit that they mistake the purpose and effect of the present statute. No "discrimination" or "burden" is intended or effected. A preferential benefit only is conferred upon a limited, and needy, group, in particular areas within the State and for limited periods of time with consequent limited additions to the State's pressing budgetary problems. It is not a "burden" or a "discrimination" to say that the remaining State residents and non-residents (including aliens) are not entitled to the same benefits if they move into the depressed areas. Carried to its logical conclusion, the reasoning of the majority would lead us to hold that all benefits to one depressed area or even a needy group of citizens add a "burden" and "discriminate" against all other areas or groups within the State. In addition State graduated in-



*Dissenting Opinion.*

come taxes, marital deductions, emergency aid to particular cities (New York, Yonkers, etc.) would fall under the sweeping language of the United States Constitution so interpreted. The results in my opinion would be intolerable.

The same analysis indicated above, suggesting that the preferential treatment of native students in the tuition cases did not constitute a discrimination which violated the Equal Protection Clause, applies here as well. To grant a job, to lower tuition, to reduce taxes, to give veteran's benefits—these are not in a practical sense the imposition of “burdens” on those not affected. Failure to grant a benefit is not identical in such situations with imposing a burden. That no burden is imposed by the statute means that it does not fall afoul of the pre-emption doctrine. Nothing in the Immigration and Nationality Act, as I read it, was meant to prevent action of the sort New York has taken to create employment for its needy citizens. Nothing in the Act was “intended to preclude even harmonious state regulation touching on aliens in general . . .,” *DeCanas v. Bica*, — U.S. —, —; 44 USLW 4235, 4237 (Feb. 26, 1976).

There is similarly little merit to plaintiffs' contention that Section 222 constitutes an interference with an alien's or a non-resident's inherent right to travel. The fact that a State does not hold out an inducement to out-of-staters to come into the State cannot reasonably be said to penalize such out-of-staters' right to travel. *Cf: Crandall v. Nevada*, 73 U.S. (6 Wall.) 35 (1868); *Edwards v. California*, 314 U.S. 160 (1941).

Finally, even if the argument should be accepted (and I do not of course believe that it should be) that the current New York plan is invalid because aliens are treated differently from similarly situated non-alien (e.g., non-resident citizens) it would nevertheless not to my mind follow that the entire statutory scheme in question should fall.

*Dissenting Opinion.*

Nothing in the cases cited to us indicates that it is impermissible for a State to grant preferences to residents in distributing public assistance (except, perhaps, for essentials) so long as subdivisions are not created among the non-residents. That is, I believe that New York without doubt can use its public works money to hire first all aliens and American citizens who have resided in New York for a specified period, and then consider all non-New York residents for positions that remain. And of course nothing prevents preferences from being given to residents of one New York city over those of others. Under such a scheme, there would be no differentiation between non-New York American citizens and aliens. The only distinction drawn would be between *bona fide* New York—or New York subdivision—residents (aliens and non-alien alike), and non-residents. Such a rational response to the State's social problems could not, as I see it, be considered a violation of the Equal Protection Clause or a deprivation of any fundamental liberty. At most, then, all New York need do to render its statute less susceptible to attack is provide that aliens, like non-New York American citizens, become eligible for the employment preferences after they reside for the requisite period of time in the State. I do not read the opinions of Judges Gurfein and Neaher to say anything to the contrary.

For the foregoing reasons, plaintiffs' motions for preliminary injunctions should be denied and plaintiffs' complaints should be dismissed.

THOMAS C. PLATT  
U.S.D.J.

**APPENDIX D****Order of the Three-Judge District Court  
Granting Stay.**

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**[SAME TITLE]**

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Upon the application of the Attorney General of the State of New York and upon due deliberation, it is

ORDERED that the orders contained in the opinion of this three-judge court, dated March 24, 1976, be and the same hereby are stayed pending the disposition of a timely appeal to the Supreme Court of the United States provided however that no stay shall apply to the named plaintiffs.

Dated: New York, New York  
April 24, 1976

ENTER

s/ .....  
HON. MURRAY J. GURFEIN  
U. S. D. J.

s/ .....  
HON. EDWARD R. NEAHER  
U. S. D. J.

s/ .....  
HON. THOMAS C. PLATT  
U. S. D. J.

**APPENDIX E****Notice of Appeal.**

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

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**[SAME TITLE]**

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SIRS:

PLEASE TAKE NOTICE that LOUIS J. LEFKOWITZ, Attorney General of the State of New York, hereby appeals to the Supreme Court of the United States from the Opinion, Order and Judgment entered in the above captioned consolidated cases on March 24, 1976 declaring New York Labor Law § 222 unconstitutional to the extent that the statute prefers United States citizens over aliens in employment on public works and enjoining its operation and from each and every part thereof.

This appeal is taken pursuant to 28 U.S.C. § 1253.

Dated: New York, New York  
April 12, 1976

Yours, etc.,

LOUIS J. LEFKOWITZ  
Attorney General of the  
State of New York  
*Attorney Pro Se*  
By

s/ JUDITH A. GORDON  
JUDITH A. GORDON  
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*Notice of Appeal.*

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